



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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October 29, 2001

Bryce Haas  
331 East 200 South  
Lindon, Utah 84042

Re: Receipt of Reclamation Contract and Reclamation Surety; and Status of Notice of Non-Compliance, Bryce Haas, B & C Limestone Mine, M/039/013, Sanpete County, Utah

Dear Mr. Haas:

On August 16, 2001, you were issued a Notice of Non-compliance which was faxed and also sent via Certified mail. The original letter was returned to the Division on September 12, 2001, marked "unclaimed" after the post office had attempted delivery three times. Because the notice was also faxed to you and we received confirmation that the fax was received, we did not attempt to re-send the original letter to you.

The Notice of Non-compliance stated that operations at the B & C Limestone Mine are in violation of the Mined Land Reclamation Act & Minerals Rules. On September 20, 2000, you received tentative approval for your Large Mining Notice of Intention. The proposed mining-related disturbance was for 9.7 acres. However, on August 2, 2001, inspection confirmed that the site disturbance had been expanded to 23.25 acres. No mine plan modification or reclamation surety had been filed with the Division before the additional area was disturbed.

In order to mitigate the Non-compliance, you were to:

1. Post a transitional surety in the amount of \$36,000 (\$1,500 per acre). DOGM agreed to allow an incremental posting of this surety by furnishing a Reclamation Contract & 1/2 of the total amount (\$18,000) by August 31, 2001. An additional \$6,000 was to be posted on 9/30/01, 10/31/01 and 11/30/01, until the full \$36,000 is in place. The surety would be adjusted (up or down) as part of the final approval process of the large mine permit application.

*A Letter of Credit #015413040 for the total \$36,000 has been issued by Far West Bank, Provo, Utah, and the Reclamation Contract was received September 20, 2001. **This mitigation requirement is hereby resolved.** However, it has been brought to our attention that the Reclamation Contract should have been on a "**Transitional Reclamation Contract**" form rather than the regular form. On September 24, 2001, we sent you a partially completed Transitional Reclamation Contract which just needed page 5 signed and notarized, which would then replace the regular contract. To date, we have not received that*

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*Transitional Reclamation Contract form. Please be advised that the surety amount may have to be adjusted (either up or down) once final approval of the large mine permit application is issued, and then the regular Reclamation Contract will need to be received along with the adjusted surety. It is our understanding that the \$5,000 surety previously posted with the School and Institutional Trust Lands Administration can now be released (Contact John Blake at 801-538-5152 for more information).*

2. Submit a permit modification (revision or amendment) by September 10, 2001, to include the increased disturbed acreage, new surface facilities, etc. The plan modification should also include any additional acres proposed to be disturbed over the next 5-year period.

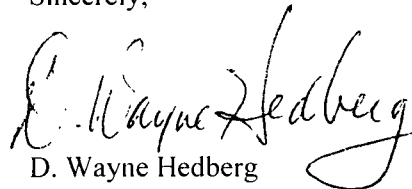
*The Division supplied you with a basic site map (generated by DOGM from GPS measurements taken during the 8/2/2001 site visit). You re-submitted a copy of this map to Lynn Kunzler. This map alone **DOES NOT** satisfy this permitting requirement. A written modification to the tentatively approved permit application must be provided which includes plans for the current disturbed area as well as the projected plans for the next five-year period. A revision form (MR-REV) was faxed to you on Friday, September 21<sup>st</sup> for this purpose.*

3. NO further expansion is allowed until final permit approval has been granted by the Division.

**Because you have showed good faith in satisfying some of the mitigation requirements, we will extend the timeframe to mitigate item #2 (furnish a revised notice showing the current 23.25 disturbed acreage, the mine facilities, and the projected development plans for the next five-year period) until November 14, 2001.**

Thank you for your cooperation in finalizing this permitting action. Please call me (801) 538-5286, or Lynn Kunzler at (801) 538-5310, if you have any questions in this regard.

Sincerely,



D. Wayne Hedberg  
Permit Supervisor  
Minerals Regulatory Program

jb  
Enclosure: MR-RC \_\_\_\_\_  
cc: John Blake, SITLA w/Encl  
Lynn Kunzler, OGM  
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